## MDW Lessons Learned

- Explicitly identify the line of demarcation between government equipment and ESCO owned equipment (i.e. Lighting fixture lenses).
- Identify potential one-time expenses that the government may incur as a result of the ESPC project (i.e. Angle stop valves).
- Carefully evaluate environmental and historic property considerations and identify responsible parties before contract award.
- Coordinate the guarantee and payment schedules with the government's fiscal year. This coordination facilitates the annual budget process with respect to ESPC.

## MDW Lessons Learned (Continued)

- Explicitly define M&V deliverables in the contract schedule of deliverables. Link the acceptance of these deliverables to the payment schedule.
- Guaranteed Costs Savings may include both performance based energy savings and stipulated O&M costs. The payment schedules should differentiate between these components.
- O&M savings in ESPC's must reflect achievable O&M reductions. In most cases these savings will require RIF actions.